

Key Performance Indicators of Selected Industries and Regions Through First Quarter 2005¹

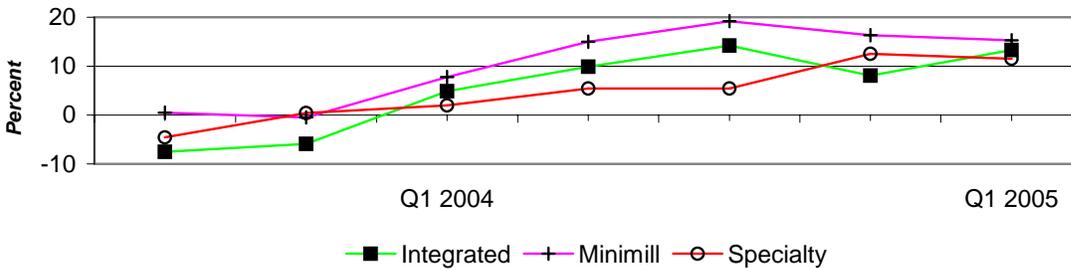
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¹The data and views presented for the following indicators are compiled from the industry sources noted and are those of the authors. They are not the views of the United States International Trade Commission as a whole or of any individual Commissioner. Nothing contained in this information based on published sources should be construed to indicate how the Commission would find in an investigation conducted under any statutory authority.

STEEL

Figure 1

First quarter 2005 results sustain the 2004 performance of positive operating income¹ for domestic producers



¹ Operating income (loss) as a percent of sales. Integrated group comprises 4 firms. Minimill group comprises 7 firms. Specialty group comprises 4 firms.
 Note.--Beginning in first quarter 2005 integrated group includes 1 previously untracked firm, and no longer includes 1 previously tracked firm, reflecting ownership changes in the industry.

Source: Individual company financial statements.

- United States Steel Corporation announced plans on April 1, 2005 to rebuild its Gary (IN) Works' No. 13 blast furnace, which accounts for 45 percent of the iron produced at Gary Works. Upon completion of the rebuild, scheduled for August 1 through October 30, 2005, the furnace will be capable of producing 9,200 tons of hot metal per day compared with 7,045 tons presently. See www.ussteel.com
- Mittal Steel Company N.V. completed its acquisition of International Steel Group Inc. on April 15, 2005. The acquisition is projected to result in \$290 million in cost savings annually after integration of purchasing, inventory, and other manufacturing and marketing functions. See www.mittalsteel.com
- The U.S. Department of Commerce initiated a changed circumstances review on carbon and certain alloy steel wire rod from Ukraine on April 20, 2005, to determine whether Ukraine, the world's seventh-ranked steel producing country, should be designated a market economy in antidumping cases. See www.ia.ita.doc.gov
- Wheeling-Pittsburgh Steel Corporation announced on May 3, 2005 that it will permanently idle its No. 1 blast furnace in Steubenville, OH, which began operating in 1899 as part of the LaBelle Iron Works. Wheeling Pitt will continue to operate its No. 5 blast furnace, along with its new Consteel(R) Electric Arc Furnace, to produce steel for its caster and hot strip mill. See www.wpsc.com
- Nucor Corporation completed the purchase of Marion (OH) Steel Company, a bar products mill with an annual capacity of approximately 400,000 tons, on June 3, 2005. The mill's principal products are angles, flats, rebar, rounds, and signposts. See www.nucor.com

Table 1

Imports of finished and semifinished decrease during first quarter 2005 compared with fourth quarter 2004, but remain ahead of first quarter 2004 whereas exports continue to increase

Item	Q4 2004	Percentage change, Q1 2005	
		from Q4 2004	Q1 2005 ¹ from Q1 2004
Producers' shipments (1,000 short tons).....	26,672	0.1	26,696
Finished imports (1,000 short tons).....	7,836	-17.7	6,448
Semifinished imports (1,000 short tons).....	2,051	-8.6	1,875
Exports (1,000 short tons).....	2,025	27.7	2,586
Apparent supply, finished (1,000 short tons).....	32,483	-5.9	30,557
Ratio of finished imports to apparent supply (percent) ...	24.1	² -3.0	21.1

¹ Preliminary.

² Percentage-point change.

Note.--Because of rounding, figures may not add to the totals shown.

Source: American Iron and Steel Institute.

STEEL

Table 2

Steel service center: First quarter 2005 shipments increase by 32.9 percent compared with fourth quarter 2004, but trail first quarter 2004 by 4.9 percent

Item	Dec. 2004	Mar. 2005	Percentage change, Mar. 2005 from			Percentage change, Q1 2005 from Q1 2004
			Dec. 2004	Q1 2004	Q1 2005	
Shipment (1,000 short tons).....	3,787	5,034	32.9	15,781	14,061	-4.9
Ending inventories (1,000 short tons).	15,904	15,638	-1.7	12,890	15,638	21.3
Inventories on hand (months).....	4.2	3.1	(¹)	2.4	3.1	(¹)

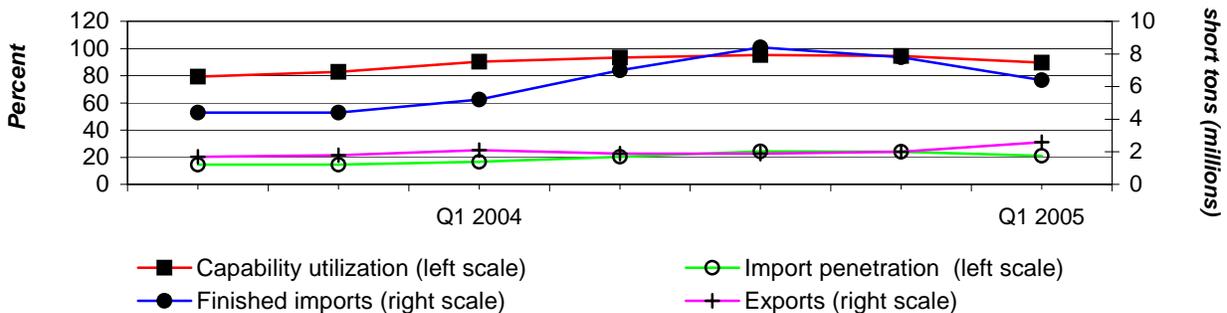
¹ Not applicable.

Source: Metals Service Center Institute.

- Although U.S. steel service centers worked down their fourth quarter 2004 inventories during first quarter 2005 (table A-2), monthly shipments during first quarter 2005 have lagged slightly behind year-earlier monthly shipments according to the Metals Service Center Institute. See <http://www.mscli.org>
- The American Institute for International Steel import market survey (April 2005) predicts decreased imports of hot- and cold-rolled sheet, cut-to-length plate, wire rod, merchant bar, and structural products during the next 3 to 5 months. The survey predicts no significant changes in imports of semi-finished, corrosion resistant, and stainless sheet. See <http://www.aiis.org>
- The 61 countries reporting to the International Iron and Steel Institute produced 326 million tons of crude steel during the first 4 months of 2005, a 7-percent increase compared with the same period in 2004. Between January-April 2005, the leading producer, China, accounted for almost 30 percent of world production, with 25 percent higher output compared with January-April 2004. The second-largest producer, Japan, accounted for about 10 percent of world production, whereas the United States and Russia produced 9 percent and 6 percent respectively. See <http://www.worldsteel.org>
- Capability utilization, along with imports and import penetration, continued to decline during first quarter 2005 compared with their recent highs during third quarter 2003 (figure A-2). See <http://www.steel.org>

Figure 2

Steel mill products, all grades: Capability utilization slips below 90 percent for the first time since 2003



Note.--Capability utilization is the raw steel tonnage produced divided by the tonnage capability to produce raw steel for a sustained full order book

Source: American Iron and Steel Institute.

AUTOMOBILES

Table 3

U.S. sales of new passenger vehicles (cars and light trucks), domestic and imported, and share of U.S. market accounted for by sales of total imports and Japanese imports, by specified periods, January 2003-December 2004

Item	Oct.-Dec. 2004	Jan.-Dec. 2004	Percentage change	
			Oct.-Dec. 2004 from July-Sept. 2004	Jan.-Dec. 2004 from Jan.-Dec. 2003
U.S. sales of domestic passenger vehicles (1,000 units)	3,212	12,779	14.3	-4.5
U.S. sales of imported passenger vehicles (1,000 units).....	865	3,275	14.9	-0.6
Total U.S. sales (1,000 units)	4,077	16,053	14.4	-3.7
Ratio of U.S. sales of imported passenger vehicles to total U.S. sales (percent)	21.2	20.4	¹ 0.1	¹ 0.6
U.S. sales of Japanese imports as a share of total U.S. sales (percent)	10.1	10.3	¹ -1.7	¹ 0.0

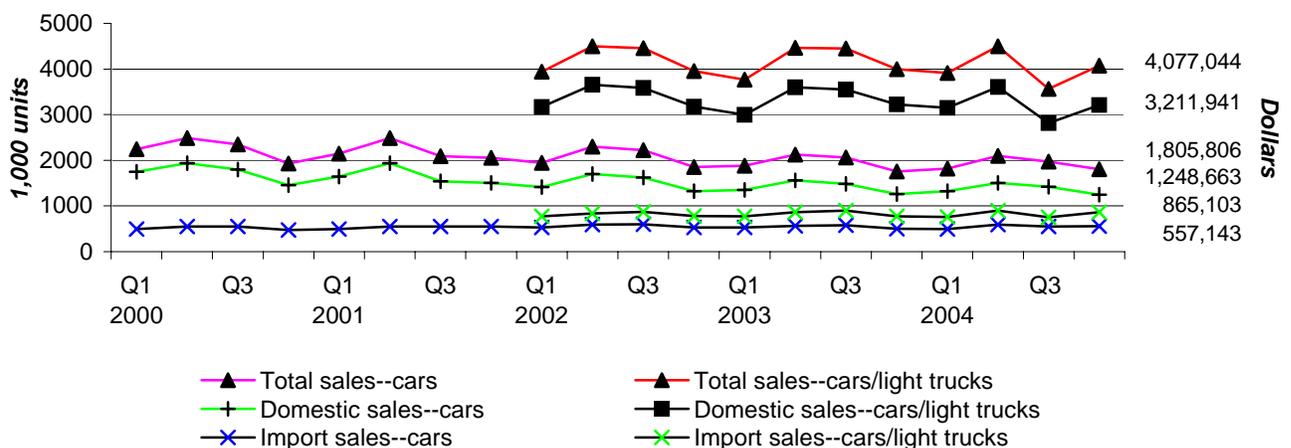
¹ Percentage point change.

Note.—Domestic passenger vehicles include U.S.-, Canadian-, and Mexican-built cars and light trucks sold in the United States. Imported passenger vehicles do not include cars and light trucks supplied by Canada and Mexico.

- U.S. passenger vehicle sales reached nearly 16.9 million in 2004, the best sales year since 2001. Foreign-brand vehicles accounted for over 41 percent of U.S. passenger vehicle sales, and over 57 percent of passenger car sales.
- In 2004, Japanese-brand passenger vehicles increased their U.S. market share to 30.5 percent, up 1.7 percentage points from the 2003 level. General Motors, Ford, and the Chrysler Division of DaimlerChrysler lost 1.6 percentage points, to finish the year with a 58.7 percent market share.
- Japanese-brand vehicles made significant inroads in the U.S. market by increasing their use of consumer incentives and by selling more full-sized pickups and sport-utility vehicles.
- General Motors, Ford, and Chrysler spent over 7 percent more on consumer incentives in 2004 than in 2003, surpassing an average \$4,500 per vehicle in incentives.

Figure 3

U.S. sales of new passenger vehicles (cars and light trucks) increase steeply in the fourth quarter 2004



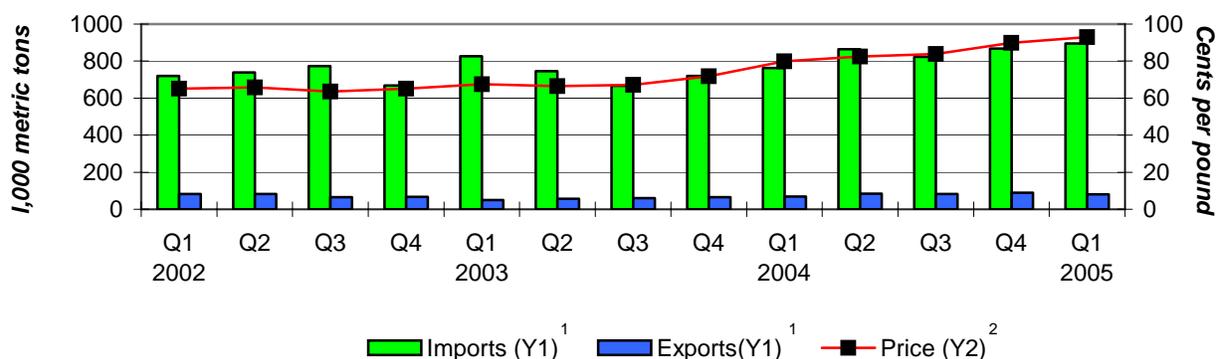
Note.—Domestic sales include U.S.- and Mexican-built vehicles sold in the United States; these same units are not included in import sales.

Source: *Automotive News*; prepared by the Office of Industries.

UNWROUGHT ALUMINUM¹

Figure 4

Robust prices for primary aluminum in first quarter 2005 reflected the high cost of alumina, energy, and transportation



¹ Unwrought aluminum and aluminum alloys.

² Quarterly average of the monthly U.S. market price of primary aluminum ingots.

Source: Compiled by USITC staff based on data obtained from the U.S. Geological Survey.

- Anticipated demand for aluminum products, particularly new applications in the transportation market, have helped to sustain high aluminum prices in the first quarter of 2005. Following the first successful flight of its new A380 (a jumbo commercial aircraft double the capacity of a 747), Airbus signed a long-term deal with Alcoa (worth nearly \$2 billion) for sheet and plate products for the new aircraft. DaimlerChrysler expects to reintroduce the diesel engine (a popular product in Europe) to the U.S. market with a cast aluminum diesel engine manufactured by Hydro Aluminum. The car manufacturer anticipates using the new engine on the Mercedes models. Sales of vehicles with diesel engines are expected to grow in the United States due to diesel's fuel efficiency.
- High aluminum prices led Alcoa to restart production at one of its aluminum smelters in the Pacific Northwest. Wenatchee had been closed since 2001 due to power availability and labor issues. The restart makes Wenatchee the third of the eleven smelters operating in the Pacific Northwest to restart idled production.

Table 4

Continued drawdown of London Metal Exchange (LME) inventories, increased imports, and declining exports reflected strong consumption of aluminum from a growing U.S. economy

Item	Q1 2004	Q4 2004	Q1 2005	Percentage change	
				Q1 2005 from Q1 2004	Q1 2005 from Q4 2004
Primary production (1,000 metric tons)	635	629	614	-3.3	-2.4
Secondary recovery (1,000 metric tons)	741	749	782	5.5	4.4
Imports (1,000 metric tons)	763	868	895	17.3	3.1
Import penetration (percent).....	36.9	40.2	40.5	¹ 3.3	¹ 3.6
Exports (1,000 metric tons)	69	89	81	17.4	-9.0
Average nominal price (cents/lb).....	79.9	89.8	92.9	16.3	3.4
LME inventory level (1,000 metric tons)	1,227	693	547	-55.4	-21.1

¹ Percent-point change.

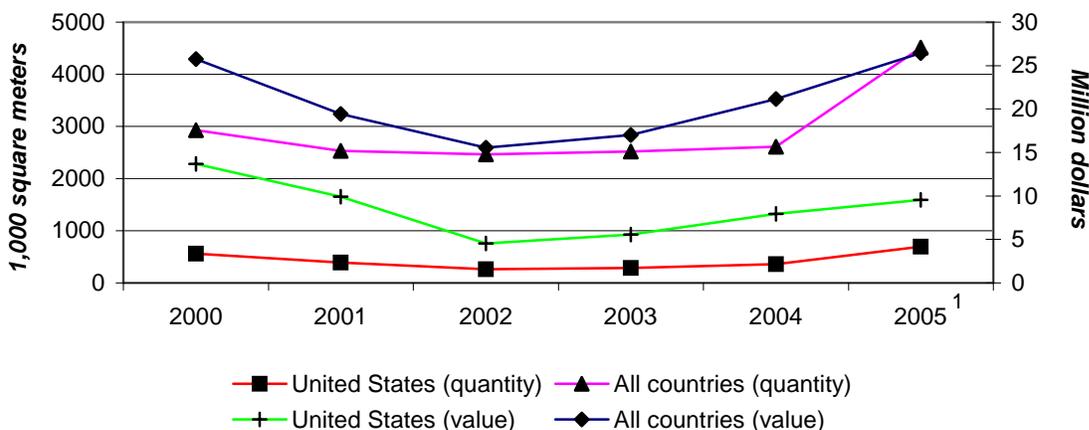
Note.—Revised data indicated by “r.”

Sources: Compiled from data obtained from U.S. Geological Survey and World Bureau of Metal Statistics.

¹Product coverage includes only unwrought aluminum and certain aluminum alloys for improved data comparability.

FLAT GLASS

Figure 5
Japanese monthly average imports from U.S. and world increased during first 4 months of 2005



¹ Data for Jan-April (latest available data).

Source: Compiled from "World Trade Atlas: Japan" at <http://www.globaltradeatlas.com>, using official statistics provided by the Government of Japan.

Background

- Although the U.S.-Japanese agreement on Japanese market access for imports of flat glass, which sought to increase access and sales of foreign flat glass in Japan, expired on December 31, 1999,¹ the U.S. Government continues to engage the Japanese Government in discussions over access to the Japanese market. Most recently, in the 2003 Trade Forum discussion held in July 2003 under the U.S.-Japan Partnership for Economic Growth, the U.S. Government "highlighted the continuing problems that prevent market entry, including the need for tighter enforcement of rules against anticompetitive behavior."² The U.S. Government also urged Japan to modify regulations to facilitate use of energy-efficient glass in Japan.
- U.S. and Japanese negotiators have agreed that Japan's Ministry of Trade and Industry (MITI), in conjunction with the Japan Fair Trade Commission (JFTC), should monitor Japanese flat-glass manufacturers and the glass distribution system in Japan to promote competition in the sector.³

Current

- As a result of increased Japanese economic growth during the first quarter of 2005, Japanese average monthly demand for imported flat glass from all countries increased 73 percent for the first 4 months of 2005, to 4.5 million square meters, compared with the same period in 2004. The average monthly value of total Japanese flat glass imports for the first 4 months of 2005 increased 26 percent, to \$26.5 million, compared with the same period in 2004. In full-year 2004, the quantity of average monthly Japanese imports increased 27 percent compared with the same imports in 2003, and increased 55 percent in value during the same period.
- Average monthly Japanese imports from the United States increased by quantity and value during the first 4 months of 2005 compared with the same period in 2004 (up 92 percent to 694,000 square meters and up 20 percent to \$9.5 million, respectively) due largely to increased demand in Japan for higher-value architectural-grade coated and ultra-clear flat glass products from the United States, for use in construction-related applications. In full-year 2004, average monthly imports from the United States increased 73 percent in quantity and 124 percent in value compared with the same imports for 2003

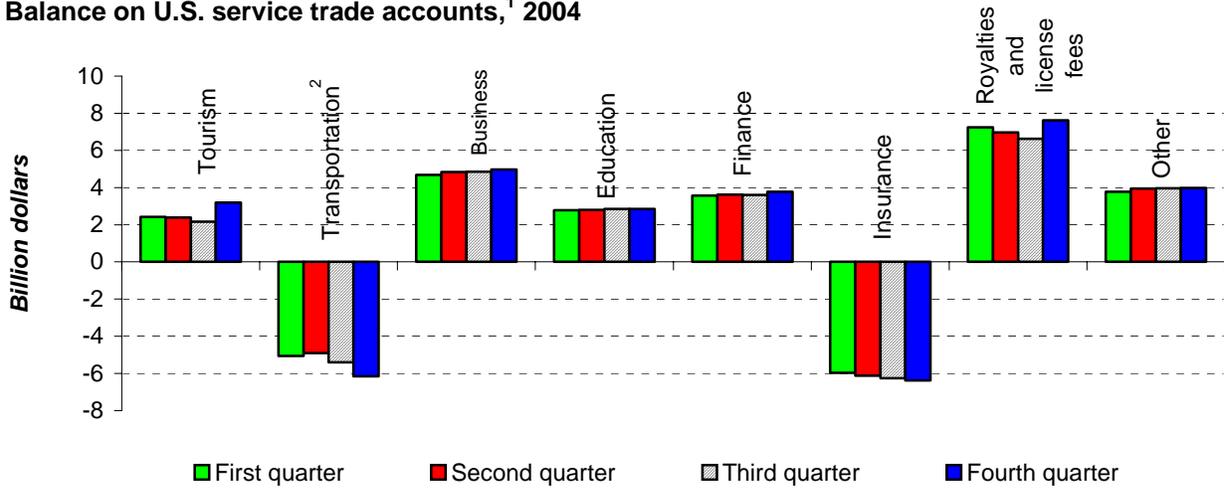
¹ Office of the United States Trade Representative (USTR), *The President's 1999 Annual Report on the Trade Agreements Program*, p. 227, downloaded from <http://www.ustr.gov/reports/tpa/2000index.html> on Mar. 3, 2004.

² USTR, *2004 Trade Policy Agenda and 2003 Annual Report of the President of the United States on the Trade Agreements Program* (final draft), 2003, pp. 21-22.

³ USTR, *Fourth Annual Submission by the Government of the United States to the Government of Japan on Deregulation and Competition Policy*, Oct. 12, 2000, p. 32.

SERVICES

Figure 6
Balance on U.S. service trade accounts,¹ 2004

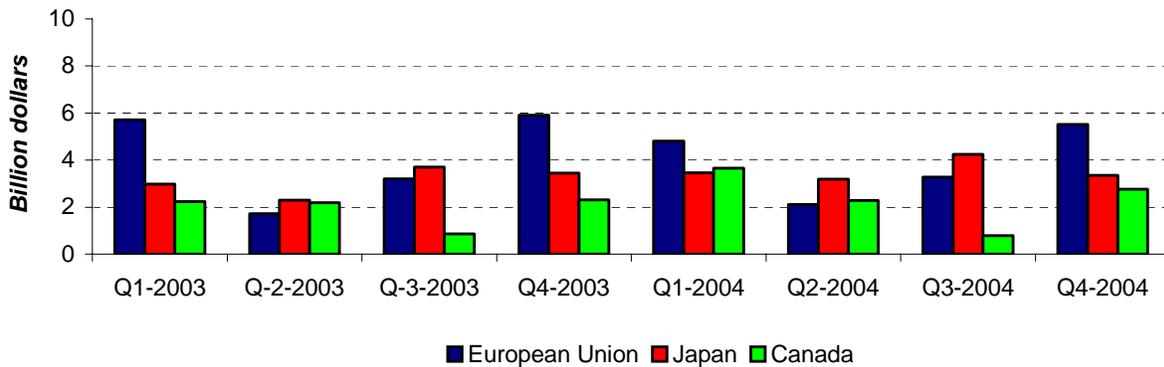


¹ Data for telecommunication services are too small to be revealed graphically.

² Includes passenger fares, freight, and port services.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*, April 2005, p. 52.

Figure 7
Surpluses on cross-border U.S. services transactions with selected partners, by select quarters, 2003-04¹



¹ Private-sector transactions only; military shipments and other public-sector transactions have been excluded.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*, Apr. 2005, pp. 62-66.

NORTH AMERICAN MERCHANDISE TRADE HIGHLIGHTS

U.S. merchandise trade with its North American partners is highlighted in table A-5. The following is a summary of key developments during January-March 2005 (1Q2005) compared with the same period of 2004.

Macro trends

- Higher commodity prices were an important factor underlying the increased value of U.S. imports from Canada and Mexico in 1Q2005, as continued rapid GDP growth in China pushed up global prices for petroleum, metals, and other inputs for construction and manufacturing, and some downstream products as well. Continued growth in the U.S. economy (3.8 percent GDP growth in 1Q2005) also contributed to the rise in U.S. imports. Rising global commodity prices helped maintain profit margins for Canadian exports despite the continued increase in the value of the Canadian dollar relative to the U.S. dollar. Canadian manufacturers reportedly have cushioned the effects of the rising Canadian dollar by “globalizing their supply chains.”¹
- A similar rate of growth for U.S. exports to NAFTA partners reflected demand for U.S.-origin capital equipment and intermediate goods in manufacturing industries in Canada and Mexico. The 10-percent rise in U.S. exports to Mexico in 1Q2005 contrasts with the slow-down in GDP growth in Mexico to 2.4 percent that quarter from 4.4 percent in full year 2004. The slower-than-expected growth in Mexico reflected increased competition from China for manufactured goods in both domestic and export markets and an inventory buildup by manufacturers in the United States, which dampened U.S. demand for assembled intermediate goods from Mexico.²
- Although U.S. exports to its NAFTA partners grew at a faster pace in 1Q2005 than U.S. imports (11 percent compared with 10 percent), the import growth was from a larger base and led to a \$2.7 billion (7 percent) expansion in the U.S. trade deficit with Canada and Mexico. In contrast, U.S. imports from China, the second-leading supplier of U.S. imports (between Canada and Mexico) rose by \$11.8 billion (30 percent). Imports from China continued to erode the NAFTA partners’ share of total U.S. imports, as China’s share increased from 11.8 percent to 13.4 percent comparing 1Q2004 with 1Q2005, whereas the NAFTA partners’ share fell from 29.3 percent to 28.0 percent.

Energy

- Escalating crude petroleum prices accounted for about 8 percent (\$593 million) of the value of increased imports from Canada in 1Q2005 and 31 percent (\$676 million) of increased imports from Mexico. While the value of crude petroleum imports from Canada and Mexico grew by 11 percent (\$437 million) and 14 percent (\$550 million), respectively, in 1Q2005, the per-barrel world price of crude petroleum rose by 32 percent. The quantity of crude petroleum imported from Canada and Mexico actually declined in 1Q2005, by 4 percent and 3 percent, respectively.
- U.S. natural gas imports from Canada rose by 28 percent (\$1.5 billion) in value and 5 percent in quantity in 1Q2005. Natural gas accounted for over one-fifth of the total increase in U.S. imports from Canada in the quarter. Some of this increase, however, was offset by a near doubling (\$432 million increase) of U.S. exports of natural gas to Canada. Canada’s Maritime Provinces and its industrial and population centers in Ontario and Quebec are served by natural gas pipelines originating in the United States. Gas from the Canadian Rockies and Prairie Provinces is transported by pipelines to the United States where it is commingled with U.S. gas before being re-exported to Eastern Canada.

¹ Peter Menyasz, “Canadian Agency Scales Back Forecast for 2005 Export Growth,” *International Trade Daily*, July 7, 2005, found at <http://pubs.bna.com/ip/BNA/ITD.NSF/877e5e8077111ce485256b57005> . . ., retrieved July 7, 2005.

² U.S. Department of State telegram, “Mexican GDP Growth Slows in First Quarter,” message reference 03216, prepared by the U.S. Embassy, Mexico City, May 18, 2005.

NORTH AMERICAN MERCHANDISE TRADE HIGHLIGHTS

Table 5

U.S.-Mexico trade, 2000-2004, January-March 2004 and January-March 2005

Item	2000	2001	2002	2003	2004	January-March		Percent change 2004/05
						2004	2005	
Value (million dollars)								
U.S. -Mexico trade:								
Total imports from Mexico.....	134,734	130,509	134,121	137,199	154,959	36,398	38,588	6
U.S. imports under NAFTA:								
Total value.....	83,995	81,162	84,747	87,750	96,024	22,910	23,759	4
Percent of total imports	62	62	63	64	62	63	62	¹ -1
Total exports to Mexico.....	100,442	90,537	86,076	83,108	93,018	21,683	23,796	10
U.S. merchandise trade balance with Mexico ²								
	-34,292	-39,971	-48,045	-54,091	-61,941	-14,715	-14,792	-1
U.S. -Canada trade:								
Total imports from Canada.....	229,060	216,836	210,518	224,016	255,660	60,239	67,433	12
U.S. imports under NAFTA:								
Total value.....	123,052	113,179	115,807	119,416	131,678	30,865	33,961	10
Percent of total imports	54	52	55	53	52	51	50	¹ -1
Total exports to Canada.....	155,601	144,621	142,543	148,749	163,168	39,106	43,979	13
U.S. merchandise trade balance with Canada ³								
	-73,459	-72,215	-67,975	-75,267	-92,492	-21,133	-23,454	-11

¹ Percentage-point change.

² The negative (-) symbol indicates a loss or trade deficit. The \$61.9-billion deficit in U.S. merchandise trade with Mexico in 2004 was partially offset by a \$5.6-billion U.S. surplus in bilateral services trade, not seasonally adjusted.

³ The \$92.5-billion deficit in U.S. merchandise trade with Canada in 2004 was partially offset by a \$9.3-billion U.S. surplus in bilateral services trade.

Source: Compiled by USITC staff from official statistics of the U.S. Department of Commerce. Statistics on U.S. services trade with Canada and Mexico are based on preliminary data provided in U.S. Department of Commerce, Bureau of Economic Analysis, U.S. International Transactions Accounts Data, table 11, found at http://www.BEA.DOC.GOV/BEA/International/BP_web/list.CFM?ANON=92.

- U.S. exports of refined petroleum to Canada also nearly doubled (by \$218 million) in 1Q2005, whereas exports to Mexico rose by 73 percent (\$397 million). Because Canada's petroleum resources are far from its population centers, it is more efficient for Canada to export crude petroleum to the United States and import refined products from the United States, rather than ship petroleum domestically from Alberta to Ontario and Quebec. A shortage of refining capacity in Mexico contributed to higher U.S. exports south of the border.

Automotive

- There was little change in U.S. motor vehicle imports from its NAFTA partners in 1Q2005 as a 13-percent (\$560 million) decline in imports from Mexico offset a 5-percent (\$555 million) increase in imports from Canada. Consumer confidence in Canada, especially in Western Canada,³ and the rising value of the Canadian dollar helped boost U.S. exports of motor vehicles to Canada by 21 percent (\$850 million).

³ Carlos Gomes, "Canadian Auto Report," *Scotia Economics*, found at www.scotiabank.com, retrieved July 27, 2005.

NORTH AMERICAN MERCHANDISE TRADE HIGHLIGHTS

- Despite restrained growth in U.S. production of motor vehicles in 1Q2005, imports of motor vehicle engines and parts from Canada grew by 27 percent (\$313 million). Imports of motor vehicle engines and parts and certain other motor vehicle parts from Mexico rose by 12 percent (\$119 million) and 11 percent (\$173 million), respectively. Falling demand in the United States for certain models of vehicles produced in Mexico led to a contraction in Mexico's vehicle production. That, in turn, was largely responsible for a 13-percent (\$180 million) decline in U.S. exports of certain motor vehicle parts. High interest rates set by the Bank of Mexico restricted purchases by lower income consumers, reducing domestic sales of compact cars⁴ and less demand for U.S. parts used in their manufacture.

Other Sectors

Exports to Canada

- U.S. exports of steel to Canada more than doubled in 1Q2005, rising by \$208 million. Much of this growth was the result of increased price as China's rapid industrial development drove up the price of steel world wide. Leading the way in expanded exports to Canada was steel plate, which is used in construction, ship-building, and vehicle production. Prices for steel plate rose by 80 percent (\$349) per short ton, from an average of \$435 during 1Q2004 to \$784 during 1Q2005.⁵
- Continued growth in manufacturing in Canada contributed to the 42 percent (\$145 million) expansion in U.S. exports of integrated circuits and microassemblies.

Exports to Mexico

- The shift of final assembly of power tools from the United States to Mexico likely led to a sharp rise in U.S. exports of parts to Mexico.⁶ U.S. exports of power tools and parts rose from \$15 million in 1Q2004 to \$135 million in 1Q2005.
- Reduced demand for animal feed and cooking oil in Mexico in response to slower GDP growth in 1Q2005 may have contributed to the 40-percent (\$124 million) decline in U.S. exports of soybeans to Mexico.

Imports from Canada

- Escalating world prices for lumber and paper were responsible for much of the increase in U.S. imports of those products from Canada in 1Q2005. U.S. imports of sawn lumber rose by 27 percent (\$367 million) and writing paper, by 33 percent (\$198 million).
- The 39-percent (\$192 million) decline in U.S. imports of gold from Canada in 1Q2005 reflected sharply reduced imports of gold bullion. However, trade patterns in various forms of gold vary from year to year depending on annual contractual arrangements negotiated among mines, precious-metal refineries, fabricators, and bullion banks.

Imports from Mexico

- Escalating U.S. demand for flat-screen, high-definition televisions⁷ was largely responsible for the 33-percent (\$483 million) growth in U.S. imports of televisions and monitors from Mexico in 1Q2005. Televisions with larger screens (and higher transportation costs) tend to be imported from Mexico, whereas sets and monitors with smaller screens tend to be imported from China.

⁴ "Consumers Duck for Cover from Interest Rates, but a Resurgent Factory Sector Might Lend a Hand," *Mexico Watch*, Aug. 1, 2005, p. 5f.

⁵ These calculations are based on monthly steel pricing data from various issues of *Purchasing Magazine*.

⁶ Both Black and Decker and Milwaukee Electric Tool have expanded their operations in Reynosa and Matamoras, Mexico, respectively, in the past year according to information on their respective websites.

⁷ Consumer Electronics Association, "U.S. Consumer Electronics Sales & Forecasts: 2000-2005," Jan. 2005.

NORTH AMERICAN MERCHANDISE TRADE HIGHLIGHTS

- Rising global steel prices accounted for much of the doubling (by \$166 million) in the value of U.S. imports of semifinished steel products from Mexico in 1Q2005. Increased shipments of semifinished products from Mexican steelmakers to the finishing operations of their U.S. subsidiaries also may have added to the rise in imports.
- The 24-percent (\$110 million) growth in U.S. imports of medical instruments from Mexico reflects continued expansion in demand in the United States for health care services and improving technology in Mexico for the assembly/production of precision instruments and components.
- U.S. imports of materials handling and earth moving equipment from Mexico increased by 55 percent (\$87 million) in 1Q2005. Higher global steel prices in 2004 resulted in increased production costs, which rose faster than equipment prices. In 2005, manufacturers were able to increase equipment prices to partially recover their costs.⁸ Stepped up U.S. production to supply equipment rental companies that are replacing older equipment may have increased imports of equipment parts from Mexico.⁹

⁸“ConExpo a Great Success, Record Attendance, Many New Product Introductions,” *Machinery Outlook*, Mar. 2005, p. 14.

⁹“Used Equipment Auction Prices Rise Dramatically,” *Machinery Outlook*, Mar. 2005, p. 21.